

MINUTES
VILLAGE OF LAKE PARK COUNCIL MEETING
3801 LAKE PARK ROAD, LAKE PARK, NC
BUDGET WORKSHOP – 7:00 P.M.
APRIL 28, 2009

ATTENDING: Mayor Kendall Spence
Mayor Pro-Tem: Sandy Coughlin
Council Members: Greg Crosby, Virginia Currence,
Jo Waybright, Clint Newton
Finance Officer – Cheryl Bennett
Village Clerk/Tax Collector – Cheri Clark

CALL TO ORDER: Mayor Kendall Spence called the Budget Workshop of the Village of Lake Park Council to order.

PLEDGE OF ALLEGIANCE: Mayor Kendall Spence led the Pledge of Allegiance to the Flag of the United States of America.

BUDGET: Several Council members stated that it was their desire to try and hold or reduce expenses to avoid or minimize a tax increase. Cheryl Bennett discussed the proposed budget that she prepared for the workshop. The major increases for 2009-10 included Law Enforcement up from \$133,000 to \$150,216; Stormwater - \$38,000; Waste Collection - \$257,000 to \$273,000; and Street Lights \$93,000 to \$97,000. Council went through each budget line item and discussed the expenditures associated with the requested allocation. It was proposed that the line item – Late fees under Property Taxes be combined with line item – Penalties and Interest and under Parks and Recreation Revenue the line item Recreation Concession Sales be combined with Recreation Program Fees.

After the April Council meeting, Cheryl Bennett e-mailed Council concerning the fund balance on April 17th.

I thought you might appreciate a little more explanation of the fund balance. As of the April 14, 2009 balance sheet, we have \$916,199 in fund balance. However, part of it is from Powell Bill - \$114,955. The rest of it - \$801,244 is general fund. But, you appropriated \$52,122 of it for current year budget, and this week you appropriated \$50,000 of it for the ponds. So now you are down to \$699,122. Next year's proposed budget that I brought to you this week uses up another \$61,124 of it. (I'm sure this number will change.) Then you are down to \$637,998.

If you make a motion to put \$10,000 into Reserve for Capital Replacement, like you have budgeted for this year, then you must subtract that. The current reserve is at \$60,000, and that is not a whole lot for a town with pools, and all the ponds and land you have. As you have seen, one pond can more than eat it all up.

Jo Waybright requested that separate line items be established under the Fund Balance for both the Powell Bill Funds and National Night Out. When asked if there was a statutory requirement for the percentage of fund balance, Cheryl Bennett stated that is it a philosophical decision that Council would need to establish

Council vacillated between the percentage of Fund Balance and the amount of a tax increase to be used to balance the budget.

Sandy Coughlin made the motion to go into Closed Session to discuss salaries. Greg Crosby seconded the motion. Vote – Unanimous.

Kendall Spence called the regular session back to order at 9:35 p.m. Council proposed giving staff a salary increase of three percent.

In order to fund the 2009-2010 Budget, Council proposed a tax increase of two cents. The tax rate would go from \$0.21 per \$100 to \$0.23 per \$100 of valuation. The tax increase is needed to cover the decreases in revenues and the increases in law enforcement, waste collection and pond renovations.

Proposed Budget for 2009-2010.

	Current Year		2009-10
	Jul '08 - March 09	Budget	Proposed
General Fund			
Revenues			
Other revenues			
Approp. Fund Balance	0.00	52,122	79,098
Payment Kirby Prk Sidewalk	16,314.95	4,500	0
National Night Out	320.00	4,890	0decrease from 1056
Civil Penalties	200.00	200	400

Investment revenue	6,969.53	21,000	12,000
Miscellaneous	1,715.35	600	545
Cable franchise-from Time Warner	<u>1,570.00</u>	<u>2,800</u>	<u>3,000</u>
Total Other revenues	27,089.83	86,112	<u>95,043</u>

Stormwater Fee	<u>0.00</u>	<u>0</u>	<u>38,000</u>
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Parks & Recreation Revenue

Recreation Program Fees	1,034.70	200	1,000Up from 400
Community Center rental	2,295.00	2,800	2,800
Gazebo rental	60.00	400	100Down from 400
Recreation Concession Sales	0.00	800	0(delete this line)
Recreation daily swim fees	3,571.84	6,200	6,200
Recreation season pass fees	<u>2,687.00</u>	<u>50,000</u>	<u>50,000</u>
Total Parks & Recreation Revenue	9,648.54	60,400	<u>60,100</u>

Property Taxes

Ad valorem current year	474,175.78	477,784	521,196
Ad valorem prior years	8,738.21	4,200	4,600
Late fees (ad)	102.49	92	0
Motor vehicle tax	33,029.27	51,010	53,171
Penalties and interest	1,916.57	1,250	1,344
Utility ad valorem	<u>6,519.98</u>	<u>7,000</u>	<u>5,478</u>
Total Property Taxes	524,482.30	541,336	<u>585,789</u>

State Shared Revenues

Solid Waste Disposal Tax	455.69	0	1,500
Telecom. Franchise	956.00	600	1,800
Piped Gas	3,945.00	1,400	5,000
Electric Franchise Tax	30,977.59	70,000	60,000
Cable Rev. (from State)	11,653.45	18,000	22,000
Sales and use tax	79,157.05	190,000	140,000
Total State Shared Revenues	<u>127,144.78</u>	<u>280,000</u>	<u>230,300</u>
Total Revenues	<u>688,365.45</u>	<u>967,848</u>	<u>1,009,232</u>

Expense**Capital Outlay**

Com. Center Addition	2,500.00	4,500	0
Capital Outlay Exp.	1,100.00	10,000	10,000
Reserve for Capital Replacement	<u>0.00</u>	<u>10,000</u>	<u>10,000</u>
Total Capital Outlay	3,600.00	24,500	<u>20,000</u>

General Administrative Expenses

Adm Assistant	144.00	600	500
Clerk/Tax Collector	32,088.78	42,785	44,100
Council	8,250.00	11,000	11,000
Finance Officer	7,702.47	10,270	10,600
Mayor	2,250.00	3,000	3,000
Payroll Expenses	<u>3,858.30</u>	<u>5,400</u>	<u>5,536</u>
Total General Administrative Expenses	54,293.55	73,055	<u>74,736</u>

Maintenance of Common Areas

Landscaping	111,024.00	165,000	165,000
Park maintenance	14,069.29	33,000	29,000
Pond maintenance	8,340.00	10,000	10,000
Total Maintenance of Common Areas	133,433.29	208,000	204,000
Operating Costs			
Advertising	40.42	400	300
Association dues	2,880.00	2,880	3,000
Bank charges	0.00	20	20
Elections	560.25	800	3,700
Insurance/bonds	8,683.08	9,800	9,400Up from 9200
Miscellaneous oper. exp.	80.96	630	800
Newsletter/website/flyers	1,693.43	2,700	2,600
Office	1,435.11	7,100	3,400
Postage	343.92	400	600
Tax collection	1,265.88	1,270	1,600
Telephone	2,048.93	2,900	2,980
Training	150.00	700	1,200Up from 500
Travel	23.24	500	500
Total Operating Costs	19,205.22	30,100	30,100
Other Expenditures			
Economic Development	691.27	2,500	2,000
Contingency	0.00	8,000	20,000
Total Other Expenditures	691.27	10,500	22,000

Stormwater	3,320.00	12,000	38,000	
Parks & Recreation				
Pool Operations	160.99	1,000	1,600	
Comm. center maintenance	4,475.70	8,919	8,800	
Seasonal Decorations	12,487.42	12,500	10,000	down from 12000
Natural Gas	819.78	1,200	1,200	
Pool maintenance	5,511.99	21,500	9,500	
Pool management fee	19,286.50	46,880	46,880	
Recreation programs	1,648.89	2,300	1,800	
Storage Rental	1,193.40	1,194	1,300	
Water/Sewer	1,412.58	3,000	2,200	
Total Parks & Recreation	46,997.25	98,493	83,280	
Professional Fees				
Accountant	4,100.00	4,200	4,400	
Legal Counsel	7,124.94	10,000	10,000	
Engineering Fees	0.00	2,500		0decrease from 2100
Total Professional Fees	11,224.94	16,700	14,400	
Public Services/Safety				
Street Signs	1,680.00	3,500	2,500	Increase from 0
National Night Out	1,485.88	7,000		0Decrease from 2000
Community Watch	0.00	1,000		0Decrease from 100
Garbage collection	169,284.96	257,000	273,000	Increase from 267500
Law enforcement	132,718.00	133,000	150,216	Increase from 140000
Street Lights	71,866.04	93,000	97,000	Increase from 95000

Total Public Services/Safety	<u>377,035</u>	<u>494,500</u>	<u>522,716</u>
Total Expense	<u>649,800.40</u>	<u>967,848</u>	<u>1,009,232</u>
Net General Fund	<u>38,565.05</u>	<u>0</u>	<u>0</u>

Powell Bill Revenues

Fund Bal. from Powell Bill	0.00	112,624	0
Interest - Powell Funds	452.73	400	500
Powell Bill Revenue	<u>96,089.45</u>	<u>96,089</u>	<u>85,000</u>
Total	96,542.18	209,113	<u>85,500</u>

Powell Bill Expense

Street Exp. - Powell Bill	<u>93,819.97</u>	<u>209,113</u>	<u>85,500</u>
Total Powell Bill	<u>93,819.97</u>	<u>209,113</u>	<u>85,500</u>

Net Powell Bill	<u><u>\$2,722.21</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>
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Tax rate	0.2100	0.2200	0.2300
Prop value	\$231,231,677	\$231,231,677	\$231,231,677
98%	\$475,875	\$498,535	\$521,196
Motor Veh.	\$25,128,117	\$25,128,117	\$25,128,117
92%	\$48,548	\$50,859	\$53,171
	\$524,422	\$549,395	\$574,367

One cent =\$24,972

Tax Rate:	0.2300
Total Property Value:	231231677
Total Ad valorem (98% Collection):	521196.2
Motor Vehicle Value:	25128117
Total Motor Vehicle Tax (92% Collection)	53171.09557

PUBLIC COMMENT: No public comment.

COUNCIL COMMENTS:

Greg Crosby stated that he wished there was another way to balance the budget without having to raise taxes. Unfortunately we either cut services or raise taxes.

Sandy Coughlin thanked Council for all of their hard work.

Mayor Kendall Spence reminded Council that the Budget Public Hearing will be held prior to the May 12th, Council meeting.

ADJOURN: Jo Waybright made a motion to adjourn the meeting. Clint Newton seconded the motion. Vote – Unanimous.

Respectfully submitted,

Mayor Kendall Spence

Village Clerk, Cheri Clark